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April 10, 2019

FILED IN OFFICE OF

Ms. Melanie Sandoval
Bureau Chief of Records Management
Public Regulation Commission
1120 Paseo de Peralta, Room 418
Santa Fe, New Mexico 87504-1269

NM PUBLIC REGULATION COMM RECORDS MANAGEMENT BUREAU

ARI023

Case No. 18-00383-UT; In the Matter of the Filing of Advice Notice No. 69 by Socorro Electric Cooperative, Inc. (SEC)

Dear Ms. Sandoval:

We enclose for filing the original and six copies each of SEC'S Response in Opposition to City of Socorro's Motion for Leave to File a Reply to SEC's Response to City of Socorro's Request That the Public Regulatory Commission Schedule Public Comment in Socorro, New Mexico, Affidavit of Jimmy W. Capps and Certificate of Service. Kindly forward an endorsed copy of each in the enclosed self-addressed, stamped envelope. Please feel free to contact us should you have any questions. Thank you for your attention to this matter.

Very truly yours,

WIGGINS, WILLIAMS & WIGGINS A Professional Corporation

Christie Griego

Paralegal

CAG:me

Enclosures

cc: Service List

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE FILING)	
OF ADVICE NOTICE NO. 69	
BY SOCORRO ELECTRIC	
COOPERATIVE, INC.	
)	Case No. 18-00383-UT FILED IN OFFICE OF
SOCORRO ELECTRIC)	
COOPERATIVE, INC.,	
Applicant.	NM PUBLIC REGULATION COMM
	RECORDS MANAGEMENT BUREAU

SEC'S RESPONSE IN OPPOSITION TO CITY OF SOCORRO'S MOTION FOR LEAVE TO FILE A REPLY TO SEC'S RESPONSE TO CITY OF SOCORRO'S REQUEST THAT THE PUBLIC REGULATORY COMMISSION SCHEDULE PUBLIC COMMENT IN SOCORRO, NEW MEXICO

The Socorro Electric Cooperative ("SEC") responds in opposition to the City of Socorro's ("City") motion for leave to submit a reply in support of its motion to have the Public Regulatory Commission ("PRC") schedule public comments in Socorro, New Mexico. The City's motion to submit a reply should be denied because the arguments in response to the motion, asserted by SEC, could have been anticipated by the City and should have been asserted in the original motion.

The City submitted a motion to have the PRC schedule a time for public comment in Socorro, New Mexico so the PRC could take public comment on the pending request for a rate increase filed by SEC ("Motion"). SEC responded in opposition to that Motion, pointing out that SEC already has provided numerous means and meetings for its customers to comment on the pending request. The City seeks to file a reply to support their motion, asserting that the reply is "necessary to respond to arguments and positions stated by [SEC] not addressed in the City's motion and to clarify the Motion in light of the response." Motion, p, 1.

The City first states that because SEC has not timely responded to the Motion, the Motion should be deemed granted pursuant to 1-2-2-12C.(1)(A): "staff and parties wishing to respond [to a motion] must respond in writing within thirteen (13) days of the service of the motion." The City served the Motion on March 8, 2019. SEC responded on March 20, 2019, within 13 days. SEC's response is timely and this is no basis for granting the Motion for permission to file a reply.

The City filed the Motion requesting that a hearing for public comments should be held in Socorro. The City should have anticipated SEC's response: the City was aware of the numerous meetings held by SEC to get comment and input from residential and large kWh customers on the rate proceedings. In fact, a meeting was held October 2, 2018 specifically with representatives of the City and SEC to explain the reasons for the rate proceedings, to receive input from the City and to explain the next steps of the rate proceeding. See Affidavit of Jimmy Capps, filed contemporaneously herewith at paragraph 20(h). The City was well aware of the ongoing meetings and should have been aware of SEC's position that adequate information was provided during the course of these meetings. A reply to SEC's response the City's motion is not warranted or necessary.

The City should also be well aware of SEC's objection to conducting a time for public comment in Socorro, when the service area for SEC is far more expansive than just the City. Holding a meeting for public comment at one time, and in the premises of a party opposing the rate proceeding, would marginalize all of the other customers in SEC's service area. The City should have anticipated SEC's opposition and addressed it in the original motion thus making the reply unnecessary.

The City relies on the affidavit of Mayor Ravi Bhasker attached to the Motion. In the affidavit, Mayor Bhasker asserts that because the City has high electricity rates a meeting should be held to address that issue in Socorro because many customers cannot take time off work to travel to a hearing being held in Santa Fe. The motion requests public comment to be held in Socorro; it does not ask for the actual hearing to be held in Socorro. Further, this was the reason that so many meetings were held in the area served by SEC to apprise the various customers of the pendency of a rate case filing and to get their input. Again, the City should have anticipated SEC's argument and addressed it in the initial motion.

Finally, the Procedural Order already sets forth a method for receiving public comments. The City asserts that the requirement in the Procedural Order to publish notice in a newspaper of general publication in the service area was "much more expansive" and "should prompt additional comments and concerns," Motion, p. 4. Whether the required notice was more expansive than what was discussed at the numerous meetings held throughout the service area, the meetings provided the customers with a forum for discussing their positions. Duplicating that same process would be a misuse of the PRC's and parties' time and resources. The parties are preparing for the rate proceeding. To break from the preparation to hold and attend a meeting to discuss what has already been raised makes little sense.

SEC respectfully requests that the Hearing Examiner deny the City's Motion to be allowed to file a reply in support of its motion to hold a meeting to hear additional comments in support of or against the rate proceeding.

WIGGINS, WILLIAMS & WIGGINS A Professional Corporation

Lorna M. Wiggins
Patricia G. Williams
Attorneys for SEC 1803 Rio Grande Blvd., N.W. (87104) P. O. Box 1308 Albuquerque, New Mexico 87103-1308 (505) 764-8400

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE FILING	
OF ADVICE NOTICE NO. 69	
BY SOCORRO ELECTRIC	
COOPERATIVE, INC.	
,) Case No. 18-00383-UT
SOCORRO ELECTRIC	
COOPERATIVE, INC.,) FILED IN OFFICE OF
Applicant.	PFI 0, 2019
	NM PUBLIC REGULATION COMM
AFFIDAVIT	OF JIMMY W. CAPPS RECORDS MANAGEMENT BUREAU
STATE OF NEW MEXICO)	•
) ss.	
COUNTY OF SOCORRO)	

Jimmy W. Capps, begin duly sworn under oath states as follows:

- 1. I am employed by The Socorro Electric Cooperative, Inc. ("SEC") as the Director of Communications and Public Affairs. I have personal knowledge of the facts set forth herein and if called as a witness, I would and could testify competently thereto. I make this Affidavit in response to the Affidavit of Mayor Ravi Bhasker, the mayor of the City of Socorro ("City"), filed herein on March 29, 2019 as a part of the City's Motion for Leave to Reply.
- 2. During Mayor Bhasker's tenure spanning 25 plus years, SEC has had several changes in rates for electric service, fees and charges. SEC has no record of the City protesting any tariff changes for SEC until the current rate case was filed.
- 3. The two most recent SEC rate filings in 2005 and 2011 resulted in increases in overall revenues of 7.47% and 6.95% respectively, compared to the current proposal of 5.06%.
 - 4. Mayor Bhasker has stated that he desires the City to take over SEC.
- 5. Mayor Bhasker provides no evidence in support of his claims in paragraph 5 of his Affidavit that the high cost of electricity has been a substantial deterrent in efforts to attract business to the City.

- 6. The electric rates of SEC did not deter the Tractor Supply Company, the largest operator of rural lifestyle retail stores in America with over 1,700 stores in 49 states, from locating in the City in 2017.
- 7. Another City business that opened in December 2018 is the Jackson Ranch Steakhouse which revitalized a restaurant location that had been vacant for over two years. The proprietor of the Jackson Ranch Steakhouse inquired about SEC's rates, and the expected monthly electric costs, as part of his research before he opened his business.
- 8. In February 2017, the City adopted Ordinance 17-02-17 which approved increases in both water and residential sanitation dumpsters. The increase for water will be \$.01 in the "per unit of 100 gallons" pricing of water for the next five years. This increase totals 20.42% (\$.2448/per unit of 100 gallons in April 2018 continuing to \$.2948/per unit of 100 gallons in April 2022).
- 9. The fee for residential sanitation bins is increasing \$1.00 per month for five years for a total increase of 25.1% (\$19.75 in April 2018 continuing to \$24.75 in April 2023).
- 10. The adoption of Ordinance 18-12-17 resulting in increases for the base charges by the City for its waste water, natural gas and commercial sanitation dumpster fees could also impact a potential resident or businesses looking to locate in the City. These increases will also be for multiple years similar to the language contained in Ordinance 17-02-17.
- 11. The increase for the base charge for natural gas is \$2.00 per month for five years for a total increase of 300% (\$5.00 in March 2018 continuing to \$15.00 in March 2023).
- 12. The increase for the base charge for wastewater connections is \$4.00 per month for four years for a total increase of 306.45% (\$7.75 in April 2018 continuing to \$23.75 in April 2022).

- 13. The monthly commercial sanitation dumpster fees increased \$10.64 for three-yard dumpsters going from \$79.97 to \$90.61 for a 13.30% increase beginning in April 2019 with the four-yard dumpsters going from \$95.32 to \$109.60 for a \$14.28 (14.98%) increase. These rates for these dumpsters are based on a single weekly pickup by the City.
- 14. Mayor Bhasker's Affidavit provides no data to support how or why SEC is responsible for the economic conditions in the City. SEC notes that the types of jobs available in the City do not require the types of degree that New Mexico Tech awards.
- 15. Mayor Bhasker claims in paragraph 7 of his Affidavit that the City pays some of the highest costs for electricity in the State. SEC notes that according to 2017 data taken from the respective utilities' PRC Annual Reports, SEC is below rates for Southwestern Electric Cooperative, \$0.2067 kWh; Sierra Electric Cooperative, \$0.1879 kWh; Otero County Electric Cooperative, \$0.1859 kWh; Springer Electric Cooperative, \$0.1795 kWh; Kit Carson Electric Cooperative, \$0.1736 kWh; Northern Rio Arriba Electric Cooperative, \$0.1731 kWh; Central New Mexico Electric Cooperative, \$0.1669; Mora-San Miguel Electric Cooperative, \$0.1653 kWh and Columbus Electric Cooperative, \$0.1648 kWh.
- 16. Prior to filing Advice Notice No. 69, SEC held multiple meetings throughout this expansive service territory with customers in various rate classes to explain to members the purpose and need for the proposed rate changes and to hear input from its members regarding those rate changes.
- 17. SEC advertised the dates, times and locations of its public meetings in the Co-op Corner newsletter that is received by every Member in their monthly billing statement. This information was also included in the monthly enchantment paper that our Members receive. The enchantment is the same publication that the NMPRC recognizes as an acceptable means of notice for rural electric cooperatives to notify their Members of proposed rate changes. This

information was included on SEC's website http://www.socorroelectric.com/ and on the "Your Socorro Electric" Facebook social media site. SEC did not receive any feedback or requests for additional meetings and/or changes in dates, times and locations. The notices published in the monthly Co-op Corner newsletter and SEC website http://www.socorroelectric.com/ also contained the estimated changes in Residential billings for various kWh usages.

- 18. The meetings were held throughout the SEC service areas at various times during the day to accommodate the differing work and life schedules of SEC members. The SEC community meetings with residential customers occurred over a two week period and were held in the following locations:
- a. On October 16, 2018, SEC held a meeting at the Veguita Senior Citizens Center at 6:30 p.m.
- b. On October 17, 2018, SEC held a community meeting at the SEC Engineering Room at its Socorro location at 2:00 p.m. SEC held a meeting on October 18, 2018 at the Old School Gym in San Antonio at 6:30 p.m.
- c. On October 19, 2018, SEC held a meeting at the Socorro County Annex Building at 6:00 p.m.
- d. SEC held a meeting on October 20, 2018 at the Rio Communities Fire Department for the Tierra Grande Homeowner's Association Annual Meeting at 12:30 p.m.
- e. SEC held a meeting on October 22, 2018 at the Magdalena Senior Citizens Center at 6:30 p.m.
- f. SEC held a meeting on October 23, 2018 at the Alamo Navajo Chapter Wellness Center at 2:00 p.m.
- 19. On October 25, 2018, SEC held a community meeting at the Datil Elementary Gymnasium at 3:00 p.m.

- 20. SEC also met with multiple "large kWh usage" members and representatives. The meetings with large kWh usage members included the following:
- a. On September 17, 2018, SEC met with representatives of Dicaperl Minerals, the operator of a perlite mine near Socorro. In attendance were Dicaperl employees Alan Norris, Plant Manager; Nadine Blythe, Office Manager; Kim Woods, Logistics Manager and Dicaperl's energy consultants.
- b. On September 18, 2018, SEC held a series of meetings with representatives of the Socorro Wal-Mart, Magdalena Municipal Schools, Cottonwood Valley Charter School and Socorro General Hospital.
- c. On September 19, 2018, SEC met with New Mexico Institute of Mining and Technology (NM Tech) representatives Dr. Stephen Wells, President and Dr. Cleve McDaniel, Vice-President for Administration and Finance.
- d. On September 20, 2018, SEC met with representatives from Socorro Consolidated Schools and later with representatives of the National Radio Astronomy Observatory (NRAO), which manages the Very Large Array west of Socorro.
- e. On September 21, 2018, SEC met with the Alamo Navajo School Board's Acting Executive Director and other staff members and the school board's consultant.
- f. SEC participated in a telephonic conference on September 24, 2018 with Magellan Pipeline's consultant Ken Sissingh, Program Director Sustainability Director NORESCO.
- g. On September 28, 2018, SEC met with the Belen Consolidated Schools La Promesa Elementary, which is located within SEC's service area.
- h. On October 2, 2018, SEC met with the City of Socorro at SEC's Board Room. In attendance were Ravi Bhasker, Mayor; Donald Monette, City Manager; Leopoldo

Pineda Jr., Chief Procurement Officer; Nann Winter, legal counsel and Edwin Reyes, Energy Consultant for the City of Socorro.

- i. On October 4, 2018 SEC met with Don Goodman, Principal of the Quemado Schools, to discuss the Datil and Quemado schools. SEC later spoke with David Lackey, the Superintendent of Quemado Schools via a teleconference.
- j. On October 11, 2018, at the Stallion Range Site, SEC met with Craig P.
 Collins, CIV USARMY, to discuss the White Sands Missile Range meters and to review the rate comparisons.

Jimmy W. Capps

SUBSCRIBED AND SWORN before me this **10** day of April, 2019, by Jimmy W. Capps.

Notary Public

My Commission Expires 07 23

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

	OF THE FILING OF NO. 69 BY SOCORRO PERATIVE, INC.))) Case No. 18-00383-U)	^{UT} FIL ED IN OFFICE OF		
SOCORRO ELECTRIC COOPERATIVE,))	APR 1 0 2019		
INC., APPLICANT CERTIFICATE OF SERVICE		NM PUBLIC REGULATION COMM RECORDS MANAGEMENT BUREAU			
I HEREBY CERTIFY that a true and correct copy of SEC'S Response in Opposition to					
City of Socorro's Motion for Leave to File a Reply to SEC's Response to City of Socorro's					
Request That the Public Regulatory Commission Schedule Public Comment in Socorro, New					
Mexico, Affidavit of Jimmy W. Capps and this Certificate of Service were served on April 10,					
2019, as indicated below, to the following:					
Via Email to: SEC:	ison, to the following.	Catherine Stewart Roache	csr1938@sdc.org;		
Lorna M. Wiggins Patricia G. Williams Joseph Herrera Christie Griego Justin Proctor Rauni Montoya Jimmy Capps Donna Wilkins Intervenor City of Socorro: Nann Winter Keith Herrmann Polo Pineda Donald Monette Ed Reyes Larry Blank, Ph.D. Additional Intervenors: Mark K. Adams Don and Rita Steinnerd	lwiggins@wwwlaw.us; pwilliams@wwwlaw.us; jherrera@socorroelectric.com; cgriego@wwwlaw.us; justin.proctor@guernsey.us; rmontoya@socorroelectric.com; jcapps@socorroelectric.com; donna@socorroelectric.com; nwinter@stelznerlaw.com; KHerrmann@stelznerlaw.com; ppineda@socorronm.gov; dmonette@socorronm.gov; Edwin.reyes.jr@comcast.net; lb@tahoeconomics.com; mkadams@rodey.com; reenerd@q.com;	Nancy Feraldi Melissa Salazar Johnny Sedillo Lena Chavez Ruby Lopez Violet Alvarado Theresa Rivera James Rivera James Rivera Zachery Anaya Maribel Tarango Valen Alonzo Jim Quaranta Anton Salome Sammy Vivian Demecio Silva Enrique Trujillo Jerry Griego Tony Montoya David Gutierrez Sean Standiford Celina Baca	nferaldi@gmail.com; Meliss.salazar@yahoo.com; sedillojohnny@yahoo.com; lena.chavez1981@gmail.com; rubyalopez@yahoo.com; itsmevioleta@yahoo.com; Theresarosales22@gmail.com; trivera@co.socorro.nm.us; zanaya68@gmail.com; southernmari2010@yahoo.com; valonzo@socorronm.gov; Elkmanjimaz@gmail.com; asalome@socorronm.gov; sammyvirg@live.com; openseasongohunt@yahoo.com; ultimate_dragon2004@yahoo.com; dusty418@msn.com; tbmontoya@gmail.com; dgutierrezsr85@gmail.com; sean.standiford@gmail.com; CelinaBaca6@gmail.com;		
Protestors: Mayor Ravi Bhasker Donald Monette Leopoldo Pineda, Jr. Rudy L. Chavez Carl Lukesh Stephanie Saavedra Arthur P. Gonzales Abran Baca, Jr. Isacc Angel Deanne Aragon	RBhasker@socorronm.gov; Donald@themonettes.com; pineda@pinedas.net; elchavez67@gmail.com; jlukesh@socorronm.gov; ssaavedra@socorronm.gov; agonzales@co.socorro.nm.us; bongobaca@yahoo.com; isaccangel78@yahoo.com; daragon1722@gmail.com;	PRC: Bradford Borman Milo Chavez Judith Amer David Ault Mahlon Wigton Gabriella Dasheno Beverly Eschberger Carolyn Glick	Bradford.borman@state.nm.us; Milo.chavez@state.nm.us; Judith.amer@state.nm.us; David.Ault@state.nm.us; Mahlon.Wigton@state.nm.us; Gabriella.Dasheno@state.nm.us; Beverly.Eschberger@state.nm.us; Carolyn.Glick@state.nm.us		

Via first-class mail to:

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